

**Idaho Fish and Game Commission  
Special Meeting  
October 4, 2006  
Boise, Idaho**

Chairman Wheeler called the meeting to order at 9:05 am. Commissioners McDermott, Irby, Barowsky, Wright, Budge and Power were present.

**Miscellaneous**

**Relationship with the Fish and Wildlife Foundation**

Chairman Wheeler stated that the Commission is sincere in their respect for the Idaho Fish and Wildlife Foundation (IFWF) and its reputation and values the relationship with the Foundation. The Commissions intent is to continue this relationship and to enhance it.

Chairman Wheeler stated that the primary reason for this meeting is to focus on the relationship with the Idaho Fish and Wildlife Foundation.

Chairman Wheeler stated he met with individuals from Idaho Housing, Attorney Generals Office, Jim Wrigley from Wells Fargo Bank and other government officials to discuss some concerns the Commission has about the relationship with the Foundation and how transactions have been conducted.

Throughout this process Chairman Wheeler conducted he stated that there was nothing out of order in the process for the purchase of the Redbird Property. His understanding was that everything is clean and above board and the Foundation's role is for the very purpose that is was intended to be. Chairman Wheeler would like to put the past negative comments aside and have this discussion based on the future and what the Commission can do to make the relationship with the IFWF better. Chairman Wheeler stated he has done a very through investigation of allegations.

Chairman Wheeler stated that IFWF has been lax and the Commission has been extremely lax in their involvement in the process of property transactions. Fish and Game employees have been subjected to unfair criticism and the Commission accepts responsibility for that and it will not happen again. He stated the Commission needs to be involved in the process of property transactions and accept their responsibilities.

The Commission feels strongly that they were not involved in the 2004 MOU between the Foundation and Department (Appendix 39, Exhibit 95) nor the details on how Redbird property would be purchased and what the financing would be. Chairman Wheeler stated that these are Commission responsibilities.

Chairman Wheeler suggested ways to improve the relationship and process as follows:

- Remove Fish and Game employees and Commissioners from the Foundation's voting Board.
- Existing MOU to be reworked with Commission guidance
- Communication issues, the role of the Executive Director and how communication could take place with the Foundation's Board through the Executive Director back to the Commission

## **REPORT**

Chairman Wheeler introduced Jim Wrigley, Senior Vice President of Public Finance at Wells Fargo Brokerage LLC.

Mr. Wrigley stated that his company is not the Bank, but is the investment banking arm of the Wells Fargo Corporation. His responsibilities are to provide governmental financing to cities, counties, state schools and foundations.

Mr. Wrigley reported on how business is done in other state agencies and provided funding suggestions that would be beneficial to the IFWF, Commission and the Idaho Department of Fish and Game (Appendix 39, Exhibit 96).

Mr. Wrigley stated that in all of the years that he has worked with the Department and IFWF he has never observed any behavior that is anything but above board.

## **Miscellaneous**

### **Memorandum of Understanding**

Commission discussion followed on ways to resolve the transparency issue between the Department and the IFWF. The Commission feels the need to revisit the existing Agreement between the Department and the IFWF.

Commissioners Wright and Budge will work on suggestions for changes to the existing MOU with Director Huffaker, Deputy Attorney General Dallas Burkhalter and IFWF members. The suggested changes will be presented at the November Commission meeting for review.

Chairman Wheeler introduced IFWF Vice President Dan Deagle. Mr. Deagle introduced IFWF members Steve Barton, Merlyn Clark, Jim Deffenbaugh, and Foundation staff Gayle Valentine, Phyllis Kochert, and Marcella Hepworth. Chairman Wheeler indicated that if Mr. Deagle had comments to make during the discussion, he was free to comment as needed.

Commission discussion followed on ways to improve the existing MOU including:

- One of the main concerns is that Department employees should not be voting members on the IFWF Board.
- Role of the Director and commission representative
- Role of the staff to the Foundation

Commission discussion followed and Commissioners drafted their suggested changes to be made to the MOU (Appendix 39, Exhibit 97).

Merlyn Clark, an Attorney for Hawely Troxell and a member of IFWF Board shared some of the Foundation's concerns with the MOU meeting the requirements of the Attorney General's opinion related to State agencies and foundations.

Attorney General's Opinion:

In order for a foundation to utilize state agencies facilities and services, the State agency must exercise some control over that foundation. To make certain that the foundation is using its services and facilities and funding for public purpose.

Mr. Clark stressed the Foundation does not want to be left without facilities and staff to perform its activities.

### **Commission suggestions to include in the Draft MOU (Appendix 39, Exhibit 97)**

1. The Commission, Foundation, and Department enter into a Memorandum of Understanding ("MOU") for the purposes of:

- (a) To clearly defining the relationships and responsibilities of the Commission, Foundation, and Department
- (b) To provide for the solicitation of donations by the Foundation on behalf of and for use by the Commission in carrying out its responsibilities and programs to protect, preserve, perpetuate, and manage wildlife in the State of Idaho
- (c) To ensure the Commission and Foundation are in full compliance with all applicable laws
- (d) To promote cooperation and provide for effective communications
- (e) To avoid conflicts of interests dealings and relationships between the Commission, Foundation, and Department
- (f) To provide for transparency and avoid even the appearance of impropriety to enhance the public trust and the image of the Commission, Foundation, and Department

- (g) To provide that all transactions between the Foundation and the Commission are conducted on an arm's length basis

2. That the "MOU" would be patterned after the existing Association Agreement dated January 19, 2004 between the Foundation and Department but incorporate the following fundamental changes:

- (a) No employee of the Department shall serve on the Board of Directors of the Foundation
- (b) No Commissioners shall serve on the Board of Directors of the Foundation
- (c) Staff of the Department will be available to provide technical support to the Foundation and will serve as secretary and treasurer, but not other officers.
- (d) The Commission will designate a member to attend Foundation meetings to carry out the purposes of the MOU
- (e) The Director of the Department will attend regular Foundation meetings to carry out the purpose of the MOU
- (f) The Executive Director of the Foundation shall attend regular Commission meetings and report on the functions and operations of the Foundation. The Executive Director shall and be under the direction and supervision of the Foundation Board
- (g) The Commission will exercise such oversight and control to comply with the Attorney General's opinion regarding the use of public employees and facilities to support private foundations

3. That a committee be established containing representatives designated by the Commission, Foundation, and Department to prepare a proposed MOU which will be submitted to each party for review and approval by the November 4, 2006 Commission meeting.

4. Upon approval and signing of the MOU by all parties, the existing "Association Agreement" of January 19, 2004 shall be rescinded and superseded by the MOU.

**06-68** Commissioner Wright moved and Commissioner Baroskwy seconded a motion **TO ACCEPT THE CONCEPTS OUTLINED IN NUMBER ONE** (Appendix 39, Exhibit 97) Commission suggestions to include in the Draft MOU. The motion carried in a unanimous vote.

**06-69** Commissioner Wright moved and Commissioner Irby seconded a motion **TO ACCEPT NUMBER TWO AS WRITTEN** (Appendix 39, Exhibit 97) (“MOU”). The motion carried in a unanimous vote.

**06-70** Commissioner Wright moved and Commissioner Irby seconded a motion **TO ACCEPT NUMBER THREE AS WRITTEN** (Appendix 39, Exhibit 97) (“MOU”). The motion carried in a unanimous vote.

**06-71** Commissioner Wright moved and Commissioner Barowsky seconded a motion **TO ACCEPT NUMBER FOUR AS WRITTEN** (Appendix 39, Exhibit 97) (“MOU”) **WITH THE ADDITION OF AN ANNUAL REVIEW OF THE MOU SHALL BE DONE AT EACH ANNUAL JANUARY COMMISSION MEETING.** The motion carried in a unanimous vote.

Chairman Wheeler appointed Commissioners Budge and Wright to serve on the working group to finalize the MOU. Director Huffaker, Dallas Burkhalter and Steve Barton will serve as Department representatives to work on finalizing the MOU. The Commission would like to have a final draft MOU for approval at the November Commission meeting.

## **REPORTS**

Don Kemner, Wildlife Staff Biologist made a power point presentation to the Commission (Appendix 39, Exhibit 98) on the Idaho Eastern Snake River Plain Aquifer Conservation Reserve Enhancement Program known as IDAHO CREP. He stated that the CREP program is an agreement between the USDA and the State of Idaho. CREP goals are to enroll 100,000 acres of irrigated cropland and to reduce the use of water by 200,000 acre-feet annually and to provide up to 100,000 acres of native grassland wildlife habitat as well as to improve fish habitat by increasing Snake River flows.

### **Executive Session**

**06-71 a.** Commissioner Irby moved and Commissioner Barowsky seconded a motion **TO HOLD AN EXECUTIVE SESSION, PURSUANT TO IDAHO CODE 67-2345(1) (C) LAND ACQUISITION, AND (F) LITIGATION.** The motion carried in a unanimous vote. (**06-71 a.** reflects a numbering error)

No official action was taken during the Executive Session, which began at 12.30 pm and ended at 1:05 p.m.

## LANDS

### Redbird Canyon

**06-72** Commissioner Budge moved and Commissioner Irby seconded a motion **If Redbird property is acquired by the Foundation, the Commission commits to lease the property from the Foundation based on costs funded of \$1.295 million payable at the best available interest rates. (The \$1.295 million is the appraised value of the property)** The motion carried in a unanimous vote.

## MISCELLANEOUS

Adjournment 1:17 p.m.

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Cameron Wheeler  
Chairman

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Cal Groen  
Secretary